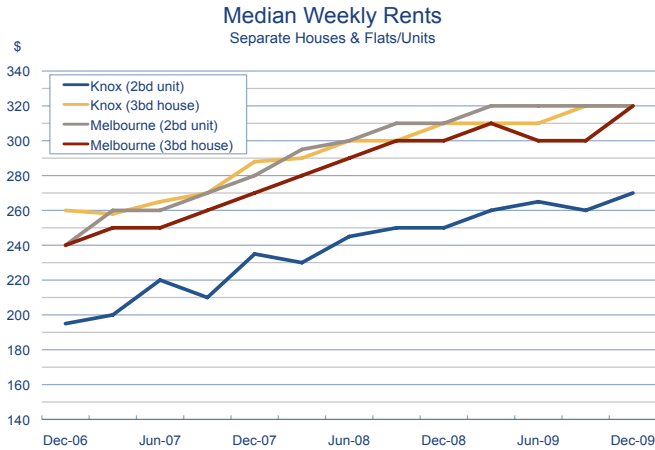


# PROPERTY INVESTMENT

## Rental Property

The median weekly rental prices for two and three bedroom separate houses in the City of Knox in the December Quarter 2009 were \$273 (an annual increase of 13.5%) and \$320 (up 3.2%), respectively. Rental prices for two bedroom flats / units in the City of Knox increased by 8.0% in the year to the December Quarter 2009.



Source: Office of Housing

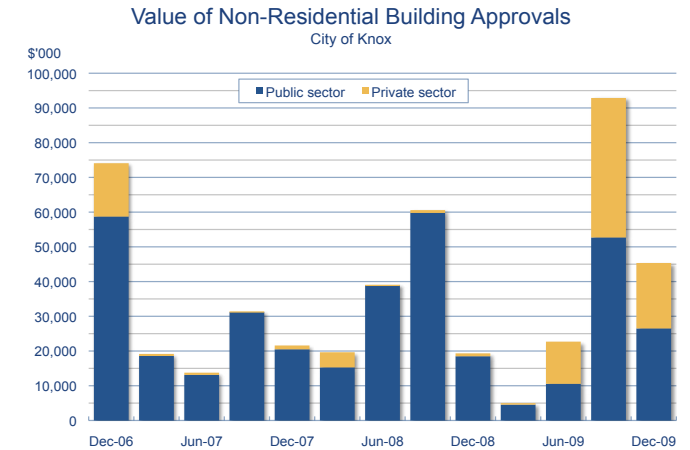
The average gross housing rental yield was 3.9% in the City of Knox in the December Quarter 2009, the same as the average yield for flats/units. Average yields for houses and units in the City of Knox decreased by 0.4 percentage points and 0.4 percentage points, respectively, from the December Quarter 2008.

By comparison, the average rental yields for separate houses and flats/units in the Melbourne SD were 3.9% and 4.6%, respectively, in the December Quarter 2009.

Rental affordability is measured by the proportion of rental properties able to be afforded by indicative households on Centrelink incomes. The City of Knox had a lower proportion of affordable rental properties (3.8%) than the average for metropolitan Melbourne (8.8%) in the December Quarter 2009.

## Construction

The value of non-residential building approvals in the City of Knox increased significantly by 19.7% to \$165.9 million in the year to the December Quarter 2009.



Source: ABS 8731.3

## Value of Non-Residential Building Approvals

	City of Knox		Victoria	
	Level – Yr to Dec-09	Ann % chg	Level – Yr to Dec-09	Ann % chg
Private sector	94,318	-28.8	4,729,794	-20.6
Public sector	71,584	1,076.0	4,342,557	83.3
<b>Total</b>	<b>165,901</b>	<b>19.7</b>	<b>9,072,351</b>	<b>9.0</b>

Source: ABS 8731.3

## Rental Market

	Knox		Melbourne	
	Level Dec Qtr 2009	Ann % chg	Level Dec Qtr 2009	Ann % chg
<b>Median Weekly Rents (\$)</b>				
Separate Houses				
Two bedroom	273	13.5	330	0.0
Three bedroom	320	3.2	320	6.7
Four bedroom	380	0.7	370	1.4
Flats / Units				
One bedroom	n.a.	n.a.	280	7.7
Two bedroom	270	8.0	320	3.2
Three bedroom	340	13.3	360	5.9
<b>Rental Yields (%) <sup>(a)</sup></b>				
Separate Houses	3.9	-0.4	3.9	0.3
Flats / Units	3.9	-0.5	4.6	0.2
<b>Rental Affordability (%) <sup>(a)</sup></b>				
One bedroom	0.0	-11.1	0.5	-2.5
Two bedroom	3.1	-0.1	3.7	-0.3
Three bedroom	3.2	-4.5	12.8	4.8
Four+ bedroom	7.2	0.2	24.8	8.8
Total	3.8	-2.9	8.8	1.8

Note: (a) Changes are percentage point changes.  
Source: Office of Housing, REIA